

‘GST and Builders’



Vivek Laddha, Authored 4 books on GST with Taxmann

Practising Cost Accountant (CMA, LL.B., CA, CS, NISM{MF})

***www.vivekladdha.com * 94607-24737, 77375-37744**

Supply Chain and Players



- Builders (Own Land)
- Developers (Others Land).
- Works Contractors
- Labour Contractors
- Manufactures of Goods (Cement, Stone, Marbles, Tiles, etc.)
- Suppliers of Goods (Traders)
- Supplier of Services Engineers, Architect,
- Brokers, Advertisements etc.
- Financers and Bankers

Supply of Service



Construction of a complex, building, civil structure or a part thereof, including a complex or building intended for sale to a buyer, wholly or partly, **shall be treated as supply of services**



except where the entire consideration has been received

- a) after issuance of OC (completion certificate), or
- b) after its first occupation,
(whichever is earlier)

SALE OF IMMOVABLE PROPERTY

Sale of	Goods/Service	Whether it is supply?	Legal backing	Value of taxable supply	
Land	Service	No	As per paragraph 5 of schedule III activities or transaction relation to sale of land is not a supply	NA	
Build ing	Service	Yes	If entire consideration is received before the (earlier of) a)After issuance of completion certificate a) after its first occupation	Item	Amount
				Land	xx
				Construction	xx
				Parking	xx
				One time maintenance	+xx
				SPA	+ xx
				Others amenities	+ xx
				Discount	(xx)
				Value of L&B	XYZ
				Value of Land	$1/3 * XYZ$
				Value of Building	$2/3 * XYZ$
		No	Sale of building before a)its first occupation or b)issuance of completion certificate		

ITC –Apportionment

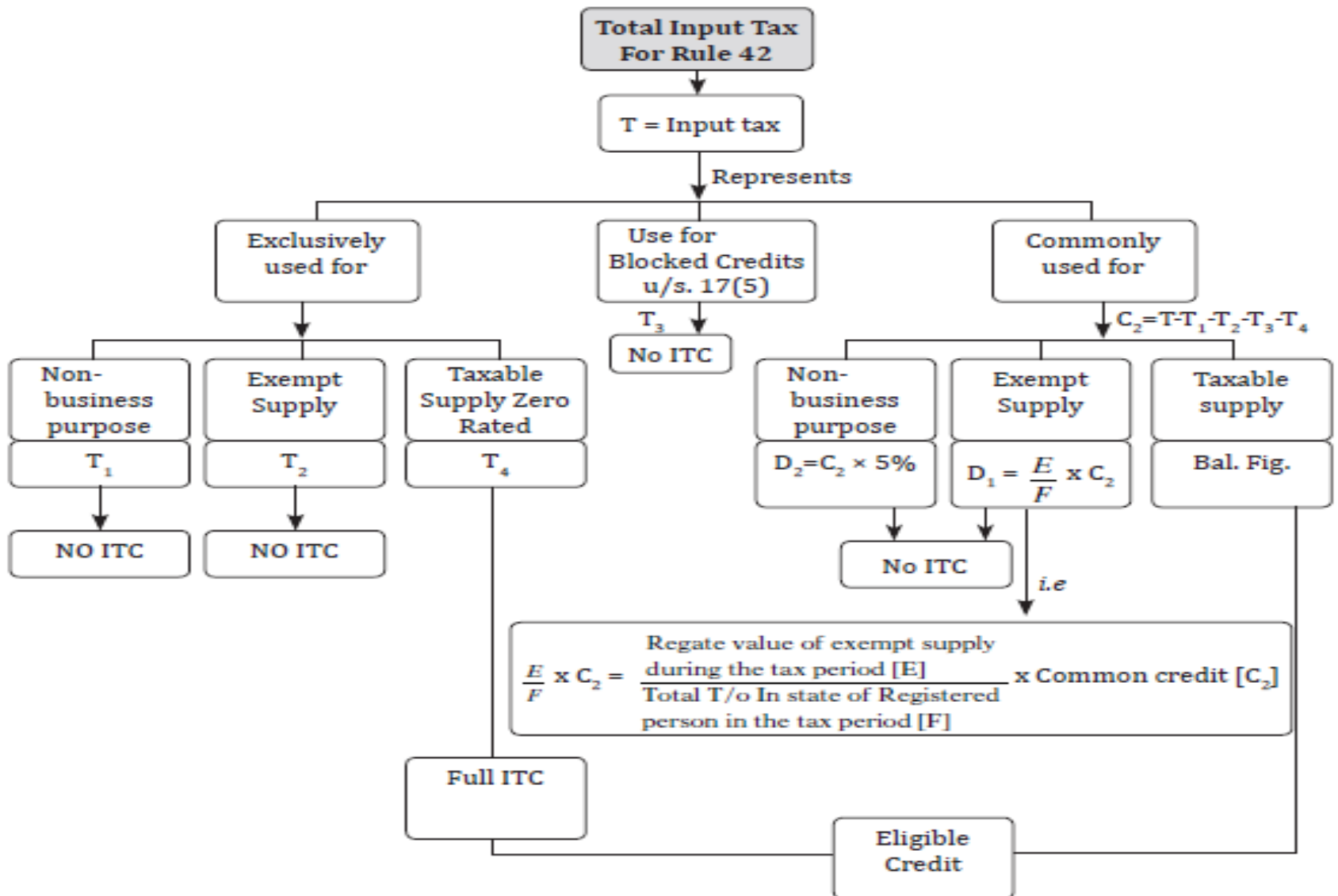


- Sec.17(2): Where the goods or services or both are used by the registered person partly for **effecting taxable** supplies including zero-rated supplies under this Act or under the Integrated Goods and Services Tax Act and partly for **effecting exempt supplies** under the said Acts, the amount of credit shall be restricted to so much of the input tax as is attributable to the said taxable supplies including zero-rated supplies.
- Sec 17(3) The **value of exempt supply** u/s 17(2) shall be such as may be prescribed, and **shall include** supplies on which the recipient is liable to pay tax on reverse charge basis, **transactions in securities, sale of land and, subject to clause (b) of paragraph 5 of Schedule II, sale of building.**

Rule 42 (Source- GST Book- Master Guide –Vivek Laddha)

274

INPUT TAX CREDIT



Few FAQs



- Rate Related aspects
- Exemption Notifications
- ITC available or blocked in various expenses
- Stock Transfer
- Cost Centre and Accounting
- Transitional Phase

